Shortage of Gas

1962. SHRI NAND KISHORE YADAV: Will the Minister of PETROLEUM AND NATURAL
GAS be pleased to state:

whether it is a fact that due to the shortage of gas, various gas based power projects are not able to come up; and

if so, the number of such projects and the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) and (b) As reported by Central ElectricityAuthority (CEA), two power projects with a capacity of 590 M W have been commissioned, but are unable to generate power due to non-availability of gas supply. Further, three power projects with a capacity of 1285 MW are pending for commissioning due to shortage of gas. In view of lesser availability of gas, allocations to power projects were made subject to their building dual fuel capacities and not based on natural gas alone, so that the power plants can utilize alternate fuel to meet any shortfall in supply of natural gas.

PSC UNDER NEW NELP

1963. SHRI AMAR SINGH: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

whether it is a fact that the Production Sharing contract (PSC) under New Exploration Licensing Policy (NELP) scheme has not been vetted by his Ministry; and

if so, what action Government proposes to take in case the private contractors misinterpret the clauses with regard to the policy on finalizing the selling price of gas extracted from these blocks to their advantage and thereby putting the burden on Government?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURALGAS (SHRI DINSHA J. PATEL): (a) and (b) Model Production Sharing Contract (MPSC), which forms basis of signing of Production Sharing Contract (PSC) with successful bidder is prepared by this Ministry in consultation with stakeholders and industry bodies so as to take care of their concerns, which is duly approved by Empowered Committee of Secretaries (ECS). The MPSC as approved by ECS is finally vetted by Department of Legal Affairs before launch of new round of New Exploration Licensing Policy (NELP). After award of the block to the successful bidder, the PSC is signed between the Government of India and successful bidder(s) on mutually agreed terms. In the event of any dispute in the adherence to terms of the Contract, the PSC provides for an Arbitration clause.

Offer from turkey

1964. SHRI RAJEEV CHANDRASEKHAR: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

whether Turkey has offered India an on ground arrangement for transporting crude to be purchased by India from the Central Asian countries up to the ports in the Gulf from where that can be shipped to India; and

if so, the specific details of the offer and the reaction of Government in the matter and action taken thereon, if any, so far?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) and (b) During his visit to India in February 2008, the Turkish Foreign Minister had proposed the concept of transportation of crude oil from Turkey to India. More details have been sought from Turkey to establish the techno-economical feasibility of this concept.

Price Stabilization fund for Petro **products**

1965. SHRI JESUDASU SEELAM: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

whether Government is considering to use part of country's $270 billion foreign exchange reserve for creating a price stabilization fund for petroleum products;

if so, the status of decision making for estblishing this fund; and

to what extent this fund can help mitigate the situation?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) No, Sir.

(b) and (c) Do not arise in view of (a) above.

Calculation of under-Recoveries

1966. SHRI VIJAY J. DARDA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

whether it is a fact that Finance Ministry has expressed concern over rising under-recoveries of oil marketing PSUs and has called for a revision of the method of calculating under-recoveries;

if so, the reasons for flat growth in central revenues from oil industry despite a significant buoyancy in petroleum products (except subsidized oil, diesel, etc.); and

the steps being taken to improve sluggish growth?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) Cost Accounts Branch of Ministry of Finance in consultation with Petroleum Planning & Analysis Cell (PPAC), is carrying out a study of under-recoveries on sensitive petroleum products under various methodologies including trade parity/import parity basis and actual refining cost basis.

(b) and (c) The contribution of petroleum sector for the last three years in respect of customs duty and excise duty is tabulated below:

Rs. crore

	2004-05	2005-06	2006-07	April-Dec'o7
Customs Duty	11,697	9,157	10,043	7,804
Excise Duty (including cess on indigenous crude oil)	43.041	52,064	58,821	44,123
TOTAL	54,738	61,221	68,864	51,927